

GMR
M A R K E T I N G

Gary M. Reynolds & Associates, Inc.

November 8, 1995

Mr. Michael Herman
Ski Bar
1825 Second Avenue
New York, NY 10128

Re: PARLIAMENT Party Zone '95

Dear Michael:

In confirmation of our discussions, the PARLIAMENT Party Zone '95 Program (the "Program") will be conducted at Ski Bar on:

<u>Dates</u>	<u>Times</u>
December 1, 1995	7:30 pm - 9:00 pm
December 15, 1995	7:30 pm - 9:00 pm

I. Responsibilities

(A) In connection with the Party Zone, Ski Bar will:

- (a) Provide cigarette sales throughout the period of the program.
 - (i) Allow Gary M. Reynolds & Associates, Inc. ("GMR") to provide a cigarette person to sell discounted Parliament Lights during the promotion.
 - (ii) Sell Parliament Lights for the duration of the program via the club's normal method of retail sale.
- (b) Provide primary signage & lighting opportunities within the club, which will include:
 - (i) An area at the entrance to the club at which PARLIAMENT banners and lighting technologies will be placed.
 - (ii) Premium areas throughout the club while the Party Zone is there.
 - (iii) Placement of permanent point of sale piece.

- (c) Provide placement of the **PARLIAMENT** Party Zone Kiosk near entrance or another highly visible area. Subject to approval of GMR.
 - (d) Designate the above mentioned dates as exclusive **PARLIAMENT** promotion nights. No other sponsored promotions will be conducted during the stated hours, without the express written consent of GMR.
 - (e) Provide certain discounts and/or special considerations for **PARLIAMENT** wristbanded patrons and VIP card members.
 - (i) _____
 - (ii) _____
 - (iii) _____
 - (f) Ensure that club personnel, who are 21 years of age or older, to include bar and waitstaff, will wear **PARLIAMENT** identified clothing during promotional hours.
 - (g) Provide prominent parking space for **PARLIAMENT** vehicle.
(Where available)
 - (h) Instruct Band and/or DJ to work with **PARLIAMENT** Party Zone Supervisor.
 - (i) Utilize all bar materials that GMR provides, specifically brew cups, coasters, beverage napkins and bar organizers.
 - (j) Assist GMR in connecting video camera to club video monitors.
(Only in clubs where applicable)
- (B) In connection with the Program, GMR will:
- (a) identify customers who are smokers and 21 years of age or older with wristbands. Those customers will become eligible for special promotional considerations at Ski Bar.
 - (b) Provide club with bar items including cups, coasters, ashtrays, napkins, message boards and bar organizers.
 - (c) Provide bar and waitstaff, 21 years of age and older, with **PARLIAMENT** identified clothing to wear during promotional hours.

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- (d) Provide promotional merchandise for distribution to smokers 21 years of age and older through periodic drawings. Merchandise to include beach towels, t-shirts, caps, etc.
- (e) Provide a cigarette person to sell Parliament Lights at a discounted rate during promotional hours.
- (f) Provide VIP Cards to consumers who have identified themselves as smokers and have purchased 2 or more packs of Parliament Lights.
- (i) VIP Cards can be utilized for club discounts, watersports discounts and 10 minutes free long distance calling.
- (g) Provide permanent point of sale piece to be placed in club.
- (h) Provide sponsorship during Parliament promotional hours.
- (i) Provide Party Patrol personnel to manage the Party Zone promotional activities.
- (j) Provide Polaroid photographs free of charge to wristbanded patrons, except during postcard program hours.
- (k) Provide video camera that will be connected to club video monitors.
(Only in clubs where applicable)
- (l) A Clay Paky Superscan zoom system will be positioned across the street outside of the club on promotional nights to project exciting Party Zone images. (Only in clubs where applicable)
- (m) Provide the technician to install, program and remove the lighting instruments. The technician will also train club's lighting director how to operate the equipment. (Only in clubs where applicable)

2. Sponsorship Payment

For the rights and the permissions granted under this Agreement, GMK will pay Ski Bar a total of \$200.00 of which \$100.00 will be paid within 10 days of complete execution of this Agreement and submission of an invoice. The balance of \$100.00 will be paid upon program completion and submission of an additional invoice.

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If the foregoing accurately sets forth our understanding, please signify your acceptance and agreement by executing the enclosed copies of this letter and returning one countersigned copy to me.

Very truly yours,

GARY M. REYNOLDS & ASSOCIATES, INC.

BY: _____

Gary M. Reynolds
Gary M. Reynolds

Title: President

DATE: _____

11/21/95

ACCEPTED AND AGREED AS OF THE DATE OF THIS LETTER:

Ski Bar

By: _____

MATTHEW GOLDBERG

Title: _____

OWNER / GM

Filing Status: _____

Taxpayer ID Number: _____

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3. Term and Termination

The term of this Agreement will commence as of the signing by both parties and will continue through December 17, 1995. GMR may terminate the Agreement without cause on seven days advance written notice to Ski Bar.

If GMR terminates the Agreement, GMR will have no liability or payment obligation to Ski Bar after the effective date of the notice of termination, with the exception of payments due for promotions satisfactorily executed prior to the notice of termination.

4. Confidentiality

Ski Bar, its employees and agents will hold strictly confidential all information and materials provided by GMR to Ski Bar or created by Ski Bar in performing the Agreement. Ski Bar will not use or disclose the information and materials to third parties without the written consent of an authorized representative of GMR. Upon termination or expiration of the Agreement, or within thirty days thereafter, Ski Bar will return all materials to GMR. Ski Bar obligation to maintain the confidentiality of all information obtained from GMR will survive the termination of the Agreement.

5. Exclusivity

During the term of the Program, Ski Bar will not engage in the activities contemplated in the Agreement or similar activities in connection with cigarettes or tobacco products of any other company or entity without prior written consent of GMR, which will not be unreasonably withheld.

6. Indemnity

Ski Bar indemnifies and holds harmless GMR and Philip Morris incorporated from all claims, liabilities, costs and expenses, including reasonable attorneys' fees, that arise from or may be attributable to any error, omission or fault of Ski Bar.

7. Insurance

Not less than 5 days prior to the beginning of the Program, Ski Bar will provide GMR with certificates of insurance and if requested by GMR, copies of the underlying policies relating to the certificates, issued by insurers acceptable to GMR and Philip Morris and evidencing comprehensive general liability and host liquor liability in an amount suitable to GMR and Philip Morris. The certificates of insurance must name Gary M. Reynolds & Associates, Inc. and Philip Morris Incorporated as additional insureds. The insurance will be maintained by Ski Bar throughout the term of the Agreement.